

JUSTIFICATION
FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center
23 Christopher Way
Eatontown, New Jersey 07724
2. Description of Action: This proposed action is for a brand name firm-fixed-price delivery order (DO) issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V Governmentwide Acquisition Contract (GWAC).
3. Description of Supplies or Services: This proposed acquisition is to provide International Business Machines (IBM) QRadar Security Information and Event Manager (SIEM) Security software maintenance for VA, Office of Information and Technology, Service Delivery and Engineering (SDE), Enterprise Operations (EO). VA, SDE, EO was recently required to expand and provide additional capacity to its existing IBM Security QRadar infrastructure as a result of the anticipated growth of the datacenters. The aforementioned software maintenance consolidates log source event data from thousands of device endpoints and applications distributed throughout a network. It performs immediate normalization and correlation activities on raw data to distinguish real threats from false positives. This will expand the current required coverage that EO has in place for the Continuous Readiness in Information Security Program. The software maintenance will consist of software upgrades and updates to include major releases, point releases, service releases and security releases of applicable software on a quarterly basis, and/or within 48 hours in cases in which a high risk vulnerability fix becomes available. The software maintenance and updates are necessary for EO to be able to operate successfully. The maintenance is required to ensure the software remains operational. The anticipated period of performance is 12 months. The total estimated price of the proposed action is \$ [REDACTED]
4. Statutory Authority: The statutory authority permitting this exception to fair opportunity is Section 41 U.S.C. 4106(c)(2) as implemented by Federal Acquisition Regulation (FAR) 16.505(b)(2)(i)(B) entitled, "Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized."
5. Rationale Supporting Use of Authority Cited: Based on extensive market research, as described in section 8 of this justification, it was determined that limited competition is available among authorized resellers for the brand name IBM QRadar SIEM Security software maintenance. Furthermore, based on this market research, there is no other software maintenance that meets VA's requirements to expand the currently implemented IBM Security QRadar infrastructure. In addition, a prior

implementation of IBM's Security QRadar already exists in EO. No other software maintenance is compatible with or interoperable with the existing IBM Security QRadar infrastructure due to IBM's proprietary codes and software interfaces. If another product was introduced, there would be interoperability and compatibility issues with the current IBM Security QRadar SIEM architecture rendering the infrastructure unusable. Another product's software maintenance, if utilized, would not be able to communicate with the currently implemented IBM Security QRadar infrastructure. Moreover, acquisition of a different brand of software maintenance would require a completely separate non-IBM infrastructure to support the existing application due to IBM proprietary structures, protocols, software application programming interfaces, and different products along with completely separate EO staffing. This would multiply the support costs required by EO and require VA staff to be trained to learn the new application. This lack of interoperability, such as the inability of a different vendor's software maintenance to be used to maintain another vendor's software, is standard throughout the industry. Furthermore, IBM indicated in May 2015 that it is not willing to sell its proprietary source codes to the Government for the subject software in order for the Government to perform the associated maintenance. If the aforementioned software maintenance is not obtained, EO's datacenter would not be able to expand its current infrastructure and would not have the mandatory security monitoring and protection services to its systems. Lack of security monitoring and protection to EO systems compromises Veterans' personal identifiable information and ultimately Veterans' care.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in section 8 of this justification. This effort did not yield any other products that can meet the Government's requirements. It was determined, however, that limited competition is viable among authorized resellers for the required software maintenance. In accordance with FAR 5.301 and 16.505(b)(2)(ii)(D), this action and the justification will be made publicly available on the Federal Business Opportunities Page within 14 days after award. In addition, this justification will be posted with the solicitation to notify all SEWP vendors.
7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if there are changes in the marketplace that would enable future actions to be fully competed.
8. Market Research: IBM QRadar SIEM Security software maintenance is a production event processor currently in use at VA. When conducting market research from September 2014 through January 2015, the Government's technical experts reviewed similar hardware and software by researching other similar solutions, to ascertain if these items could meet and be interoperable and compatible with VA's existing SIEM architecture, connectivity, licensing, and management requirements. The Government's information technology security specialists reviewed similar solutions such as McAfee NitroSecurity, eIQnetworks, Trustwave, and Splunk. All of the other software maintenance evaluated were unable to meet the unique functional requirements of providing software maintenance to upgrade the existing IBM

Security QRadar infrastructure. After the Government's review it was determined no other software maintenance is compatible or interoperable with the existing IBM Security QRadar infrastructure due to IBM proprietary structures, protocols, and software application programming interfaces. Specifically, none of the other software maintenance evaluated was able to upgrade the following: the existing IBM infrastructure licensing; interconnect with current production architecture connectivity; licensing; and configuration and console management. IBM QRadar SIEM Security software maintenance is the only solution that meets all of the Government's requirements.

Additional market research was conducted in May 2015 by utilizing the NASA SEWP V GWAC website's Quick Request-for-Information (RFI) tool. The Quick RFI tool yielded the following responses: zero from Group A, which is comprised of large businesses; zero from Group B(2), which is comprised of service-disabled Veteran-owned small businesses; one from Group B(1), which is comprised of historically underutilized small businesses; one from Group C, which is comprised of small businesses; and three from Group D, which is comprised of value-added resellers. There are resellers available of the aforementioned software maintenance on NASA SEWP V.

9. Other Facts: N/A

10. Technical and Requirements Certification: I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.

Benito Urbina

Date: _____

Project Manager

Signature: _____

Date: 2015.08.13
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11. Fair and Reasonable Cost Determination: I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable based on adequate price competition. Additional price analysis will be conducted consisting of a comparison of the successful quote with the Independent Government Cost Estimate, published commercial pricing, and the awardee's NASA SEWP V GWAC catalog pricing.

Iris Farrell

Date: 8/13/2015

Procuring Contracting Officer

Signature: Iris Farrell

12. Procuring Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief.

Iris Farrell

Date: 8/13/2015

Procuring Contracting Officer

Signature: Iris Farrell

13. Legal Sufficiency Certification: I have reviewed this justification and find it adequate to support an exception to fair opportunity and deem it legally sufficient.

Frank V. DiNicola

Date: 8/13/2015

Legal Counsel

Signature: Frank V. DiNicola For Frank DiNicola